

ER 8-5529

The Honorable Dewey Short  
 U. S. House of Representatives  
 Washington 25, D. C.

Dear Dewey:

APR 13 1968

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AUTH: MR. J. C.	_____
DATE: 27/2/68	REVIEWER: _____

STAFF

With regard to the matter I mentioned to you last Sunday, you may recall that I have discussed with the CIA subcommittee of the Armed Services Committee the problem of the pay scale of the senior officers of this Agency. In particular I pointed out that it was becoming increasingly difficult to obtain and to retain the highly qualified personnel which were necessary to carry out the important assignments given this Agency under law and under National Security Council directives. In the present world situation, with which you are so familiar, this is becoming more and more difficult.

The subcommittee was, I felt, quite sympathetic to the idea of my using the powers granted me under the Central Intelligence Agency Act of 1949 (P.L. 110, 81st Congress) to effect adjustment of the salary scale. Due to the pendency of the Executive Pay Bill, however, I thought it was wise to await action on that measure before proceeding.

The Executive Pay Bill has now become law (P.L. 854, 84th Congress), and it adjusts the salary of the Director and Deputy Director of Central Intelligence. For security reasons, however, we had not proposed the inclusion of other senior CIA officials in the Executive Pay Bill, as was the case with most executive departments and agencies of the Government. Under these circumstances I have consulted with the White House and with the Bureau of the Budget, with the view to putting into effect a pay increase which would affect about twenty five of the senior officers of the Agency in headquarters and about ten in the field. The total annual cost of the increases presently contemplated will be roughly \$75,000 per annum. This we can readily absorb in our existing budget.

In the light of the pay increases now specifically authorized for comparable positions in the Departments of State and Defense, I feel that this is a modest allocation to the Central Intelligence Agency, and it will have a most important and beneficial morale effect. While I felt that in this matter I had your sympathetic understanding, I wanted you to know of the lines along which I am thinking and of the action I have proposed to the White House and the Budget Bureau.

I shall of course report to the Armed Services subcommittee on this matter when I have the pleasure of meeting with you next year.

Sincerely yours,

SIGNED

Allen W. Dulles  
Director

25X11  
[Redacted]  
AWD/NSP:fm (13 August 56)

Distribution:

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MEMORANDUM FOR: the Director

Attached is a letter to Dewey Short, along the lines of the letter sent to Chairman Vinson, to be sent or used as the basis of further conversations.

I understand that Senator Saltonstall expects to be in town for the next two or three days, in the event a letter is to be sent to him or a phone c <sup>11 made</sup>

Norman S. Paul  
Legislative Counsel

13 Aug 56  
(DATE)

STATT

FORM NO. 101 REPLACES FORM 10-101  
1 AUG 54 WHICH MAY BE USED.